DECLASSIFIED PA/HO Department of State E.O. 12958, as amended April 21, 2005

MEMORANDUM

CONFID

THE WHITE HOUSE

THE PRESIDENT HAS SEEN ...

WASHINGTON

ACTION December 2, 1972

MEMORANDUM FOR: THE PRESIDENT

FROM:

HENRY A. KISSINGER

SUBJECT:

World Bank Loan to Burundi

Secretary Rogers has sent you the attached memorandum (Tab I) informing you that the United States Government does not plan to object to a \$4.5 million World Bank road improvement loan to Burundi. He notes that the loan in question would not represent an endorsement of the Burundi Government's persecution of Hutus [which led to possibly 200,000 deaths] and that it would be unusual for the United States to oppose a multilateral loan on political grounds. An abstention is not possible in the World Bank, where votes are taken by consensus unless someone objects.

RECOMMENDATION

That the United States raise no objections to the World Bank's proposed \$4.5 million road improvement loan to Burundi.

Approve .

Disapprove

* Flanigan recommends approval.

Attachment:

Tab I - Secretary of State's memorandum to the President, with a strong st the U.S. desagn

December 1.

THE SECRETARY OF STATE WASHINGTON

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CONFIDENTIAL

December 1, 1972

MEMORANDUM FOR THE PRESIDENT

Subject: IBRD Loan to Burundi

I am planning to interpose no objection on political grounds to a forthcoming loan to Burundi by the IBRD. I believe that multilateral assistance of this type does not represent endorsement of the Micombero persecution of the Hutu population of his country.

The proposed loan of \$4.5 million of IDA funds is for improvement of an important north-south road link within Burundi. AID helped finance some improvement of this road between 1962 and 1965. In 1970, however, an IBRD survey of Burundi's roads indicated serious deterioration of this artery to tourism, fishing, cotton and coffee production, in one of Africa's poorest countries. The area was further devastated by the rebel Hutu incursion in late April of this year. Thus, the project now resembles more a rehabilitation project than a development project.

It is unusual for the United States Executive Director to oppose a loan in the IBRD Executive Board, particularly on political grounds. I do not believe such opposition is warranted in this instance. Under the circumstances the loan is expected to be approved routinely in December without objection.

William P. Rogers

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G.D.S.--DECLAS Dec. 31, 1978

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